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|---------------------------|---|---------------------------|
| TURCO PRODUCTS, INC.,     | } | IPC NO. 14-1998-00016     |
| Opposer,                  | } | Opposition to:            |
|                           | } |                           |
| -versus-                  | } | Serial No. : 95606        |
|                           | } | Date Filed : 9-30-94      |
|                           | } | Trademark: "TURCO"        |
|                           | } | For: Paints and Varnishes |
|                           | } |                           |
| ROOSEVELT CHEMICALS, INC. | } | Decision No.: 2001-07     |
| Respondent-Applicant.     | } |                           |
| X-----X                   |   |                           |

DECISION

This is an Opposition filed by Turco Products, Inc., hereinafter called "OPPOSER", a corporation duly organized and existing under the law of the United States of America, with principal office at 2000 Market Street, Philadelphia, PA 191033222, U.S.A., against Application Serial No. 95606 for the trademark "TURCO" for paints and varnishes filed on September 30, 1994 by Roosevelt Chemicals Inc., which was published on page 84 Volume X, No. 1 January-February 1997 issue of the Official Gazette, officially released for circulation on January 14, 1998.

Opposer relied on the following grounds in its Notice of Opposition:

- "1. Opposer is the lawful owner of the trademark "TURCO" registered in this jurisdiction under Certificate of Registration No. 1135 dated 19 June 1991 and covering international class 03.  
  
The registration is currently in force as the fifth Anniversary Affidavit of use was filed on 19 June 1996 and the Notice of Acceptance by the BPTTT received on 19 July 1996;
- "2. In addition to this Philippine registration, Opposer is the owner of various registrations for the same mark in about forty (4) countries worldwide, with Opposer owning more than one registration for the same mark in about thirteen (13) of these forty (40) countries;
- "3. The Opposer was the first to adopt and use the above-named trademark in actual trade and commerce for various international classes throughout the world and was in fact first used by Opposer in October 1927, and used by it in commerce in the Philippines in July 1933. said mark was first registered in this jurisdiction on 19 June 1951 and has been renewed twice viz., on 19 June 1971 and 19 June 1991, respectively. Since then, said mark has had an uninterrupted use in the Philippines since the time it was first introduced in commerce in 1933;
- "4. Registration of the mark "TURCO" in favor of Respondent-Applicant will be violative of Section

123.1 (d) of Republic Act No. 8293, the pertinent provisions of which read;

“xxx

Section 123: Registrability. – 123.1 A mark cannot be registered if it:

“xxx

- “(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of:
- (i) The same goods or services, or
  - (ii) Closely related goods or services, or
  - (iii) If it nearly resembles such mark as to be likely to deceive or cause confusion.

“xxx

- “5. Respondent-Applicant’s application for registration of the same mark is a flagrant and slovenly attempt to ride on the popularity of Opposer’s mark, and is calculated to deceive and sow confusion in the ranks of the buying public.
- “6. Over the years Opposer’s mark has gained distinction and earned tremendous goodwill not only in the Philippines but throughout the world. Allowing Respondent-Applicant’s application to mature into a registration will undoubtedly be injurious to Opposer’s lawful interests, which it has painstakingly cultivated throughout the years.

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To support its opposition, Opposer relied on the following facts:

- “1. On 30 September 1994 herein Respondent-Applicant filed a trademark application for the registration of the mark “TURCO” with the then Bureau of Patents, Trademarks and Technology Transfer (BPTTT) for brevity. Said mark is sought to be registered in Class 02 for the goods “*paints and varnishes*”, and claiming use since 31 January 1989. The application was assigned Serial No. 95606;
- “2. On 14 January 1998, Respondent-Applicant’s mark was published for opposition in the January-February 1997 issue of the BPTTT official Gazette, Volume X, No.2, which was officially released on 14 January 1998;
- “3. For lack of material time to prepare an adequate Notice of Opposition, Opposer, through Counsel, petitioned this Honorable Office for the grant of a thirty (30) day extension, or until 13 March 1998, to

file said Notice of Opposition. The Motion for Extension of Time was lodged with this Honorable Office on 13 February 1998 together with the payment of the required official fee which Motion was favorably acted upon by this Honorable Office in an Order dated 05 March 1998.”

Respondent-Applicant filed its Answer thereto which raised the following special and affirmative defenses:

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“4. Respondent-Applicant’s products under Class 2 of the official classification of goods are paints and varnishes;

“5. On the other hand, Opposer’s products fall under International Class 3, which are as follows:

“Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.”

This class includes mainly cleansing preparations and toilet preparations.

Includes in particular:

- Deodorants for personal use;
- Sanitary preparations being toiletries.

Does not include, in particular:

- Chemical chimney cleanser (class 1)
- De-greasing preparations for use in manufacturing processes (Class 1).
- Sharpening stones and grinding stones (handtools) (class 8).
- Deodorants other than for personal use (class 5).

“6. Clearly, therefore, herein parties products are non-competing and their respective trademarks are not likely to deceive or cause confusion on the part of the consuming public;

“7. Opposer’s claim of popularity of the mark is merely its own gratuitous conclusion without legal or factual basis and certainly Respondent-Applicant would not have reason to even attempt to ride on such conceptualized popularity but to rely purely on its own mark’s popularity and goodwill with that portion of the consuming public which is quite distinct and separate from that sector which patronizes Opposer’s different products.

“8. Equally important is that the present opposition was filed out of time. Consequently, this Honorable Office

has acquired no jurisdiction to try the present case and must perforce dismiss the same.

The issues having been joined, pre-trial conference was set on July 22, 1998, and there being no amicable settlement reached by the parties, trial on the merit ensued.

The lone issue to be resolved in this case is whether or not Opposer's goods and Respondent-Applicant's goods were closely related or connected that it would bring about confusion as to the source of origin of the respective goods in the light of the fact that both parties are using the identical trademark "TURCO".

One of the affirmative defenses by Respondent-Applicant is that the Notice of Opposition was filed belatedly.

This is misleading. As the records bear out, the filing of the unverified notice of Opposition on March 12, 1998 was in accordance with Order No. 98-70, dated March 5, 1998 which granted Opposer's Motion for Extension of Time to file Notice of Opposition from February 13, 1998 to March 13, 1998. This is in accordance with Section 2(b) of the Regulations on Inter Partes Proceedings which allows the Opposer to file an unverified Notice of Opposition, and Section 4(a), *ibid.* which gives the Opposer an extension of up to the maximum limit of four (4) months from the date of release for circulation of the IPO Gazette containing the mark in question, within which to file a verified Notice of Opposition.

Opposer contends that its mark is entitled to full protection not only here in the Philippines under the relevant provisions of Republic Act No. 8293, but also throughout the world under the pertinent provisions of the Paris Convention. Thus, Opposer anchors its claim for relief on two unassailable grounds. The goods covered by Respondent-Applicant's application in Class 02 (*paints and varnishes*), *vis-à-vis* the goods covered by Opposer's registration in Class 03 (*"abrasive and detergent cleaning compounds in flakes, pulverized, paste and liquid form"*), are closely allied with each other and therefore squarely fall under the "related-goods doctrine" as enunciated in Rule 123.1 (ii) of Republic Act No. 8293. Similarly, the fact of Opposer's mark's worldwide registration as shown by Exhibits "A" to "E" and submarkings are proof enough of its international fame, and therefore falls under the purview of Article 6 bis of the Paris Convention.

On the other hand, Respondent-Applicant insists that its application covers a different class, *viz.*, Class 2 for the goods '*paint and varnishes*,' while that of Opposer's covers Class 3. Respondent-Applicant then enumerated all the goods covered under this class without specifying that Opposer obtained registration only for a fraction of the goods covered in Class 03, *viz.*, "*abrasive and detergent cleaning compounds in flakes, pulverized, paste and liquid form*". This omission by Respondent-Applicant is no doubt deliberate by Opposer's registration, it would have been fatal to its cause as very clearly, the two sets of goods are allied with each other.

Section 123.1 of the Republic Act 8293 reads as follows:

A mark cannot be registered if it:

"xxx

- "(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of:
- i The same goods or services, or
  - ii Closely related goods or services, or
  - iii If it nearly resembles such mark as to be likely to deceive or cause confusion.

“xxx”

There is no argument that the trade-mark “TURCO” as founded in Opposer’s products and “TURCO” as found in Respondent-Applicant’s products are identical in all respect. Thus, there could be likelihood of confusion and mistake on the part of the buying public when used altogether on the same goods or closely related or connected goods.

However, the bone of contention is whether or not the products of both, Opposer and Respondent-Applicant bearing the mark “TURCO” are closely related or connected that the buying public would be confused or mistaken into believing that these products proceed from the same source or origin.

To prove its claim that its mark “TURCO” was registered and in commercial use in the Philippines as well as in other countries under TURCO PRODUCTS, INC., Opposer presented in evidence Exhibits “A” to “F” including sub-markings. On the other hand, Respondent-applicant adopted as its evidence Opposer’s Exhibits “A” to “E-a” by interchanging them to Exhibits “1” to “6-A” to prove that Opposer’s registration of the mark, “TURCO” for its products are non-competing to Respondent-Applicant product paints and varnishes.

After a careful evaluation of the evidence at hand, this Office finds that confusion as to the origin of the goods bearing the mark “TURCO” will definitely ensue because the competing marks are used on closely related or closely-allied goods.

Opposer presented an expert witness who testified that Opposer’s goods covered by Registration No. 1135 are part of the total painting system (see Exhibit “F” attached to the records, viz., Affidavit of Mr. Antonio Buenaseda). Mr. Buenaseda testified, *inter alia*, that there are several stages in the so-called total painting system. The component parts of said painting system are as follows:

- a. Surface preparation and treatment
- b. Primer or sealer
- c. Putty or filler
- d. Intermediate coat
- e. Top coat

He further testified that Opposer’s Turco products falling under Class 03 are extensively used in the surface preparation and treatment stage of the total painting system.

Considering that Opposer’s goods, i.e. abrasive and cleaning compounds in flakes, pulverized, paste, and liquid form, are being used in the surface preparation and treatment stage, and Respondent-Applicant’s goods are likewise being used in the painting process which maybe as intermediate coat or top coat, then both Opposer’s products as well as Respondent’s goods are part of the total painting system. This leaves an impression among buyers that both Opposer’s and Respondent’s goods labeled under the same trademark “TURCO” proceed from the same source or origin, or sponsorship of the other precisely because of their close connection in terms of functional relevancy an more so that they apparently flow through the same channel of trade, e.g. hardware stores.

Where the goods in respect f which the contending marks are used are so related that the courts would find that a false association is suggested invariably it would also find that “confusion of origin” or “confusion of reputation” occurs, and therefore, the trade-mark owner is entitled to protection.

As vividly put by the Supreme Court in Ang vs. Teodoro, 74 Phil. 50 (1942), to wit:

“The courts have come to realize that there can be unfair trading that can cause injury of damage to the first user of a given trademark first, by prevention of the natural expansion of his business and second, by having his business reputation confused with and out of the mercury of the second used. When the non-competing products are sold under the same mark, the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark created by the first user inevitably results.

“Experience has demonstrated that when a well-known trademark is adopted by another even for a totally different class of goods, but is done to get the benefit of the reputation and advertisement of the originator of the said mark, to convey to the public a false impression of some supposed connection between the manufacturer of the article sold under the same or similar mark. (underscoring provided)

This Bureau takes notice of the fact that Opposer is the first originator of the mark “TURCO” as evidenced by its claim of first use on October, 1927, and in the Philippines on July 1933 and that on June 19, 1951, Opposer was granted trademark registration which was subsequently renewed twice on June 19, 1971 and June 19, 1991, respectively under Registration No. R-1135 (Exh. “A”).

On the other hand, Respondent-Applicant/s trademark’s use, as disclosed by the records of Respondent’s trademark application is that it has a claim of first use in the Philippines on January 21, 1989.

Moreover, the evidence presented by Opposer (Exhs. “A” to “F”; including sub-markings), firmly established that the trademark “TURCO” is a well known mark having been registered in countries/territories such as U.S., Argentina, Australia, Benelux, Brazil, Canada, Chile, Colombia, Costa Rica, Czechoslovakia, Finland, Germany, Great Britain and Northern Ireland, Greece, Honduras, Hong Kong, Hungary, India, Iran, Italy, Japan, South Korea, Kuwait, Mexico, Morocco, New Zealand, Papua New Guinea, Peru, Saudi Arabia, Singapore, Slovenia, south Africa, Spain, Switzerland, Thailand, Turkey, Uruguay, Venezuela, Yugoslavia, Rhodesia for classes 1, 2, 3, 5, 7, 9 and 21.

Finally, the trademark “TURCO” of Respondent-Applicant is akin to Opposer’s corporate name TURCO Products, Inc. thereby creating an impression of association/affiliation with Opposer regardless of whether the trademark is being used for classes of goods other than the goods covered by its (Opposer) trademark “TURCO”.

As opined by the Supreme Court in *Converse Rubber Corp. v. Universal Rubber Products, Inc.* 147 SCRA 154-166[1987], to viz:

“A corporation is entitled to the cancellation of a mark that is confusingly similar to its name. Appropriation by another of the dominant part of a corporate name is an infringement.”

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“The similarity in the general appearance of respondent’s trademark and that of Petitioner would evidently create a likelihood of confusion among the purchasing public. But even assuming, arguendo that the trademark sought to be registered by respondent is distinctly dissimilar from those of petitioner, the likelihood of confusion would still subsists, not on the purchaser’s perception of the goods but on the

origins thereof. By appropriating the word "CONVERSE" respondent's products are likely to be mistaken as having been produced by the Petitioner. The risk of damages is not limited to a possible confusion of goods but also includes confusion of reputation if the public could reasonably assume that the goods of the parties originated from the same source of origin. (underscoring provided)

In the light of the foregoing, we cannot allow the trademark TURCO of Respondent-Applicant to proliferate in the market not only because it is identical to Opposer's trademark but because of the likelihood of confusion among the purchasers as to the origin of the goods bearing the subject trademark considering that it is likewise the corporate name of Opposer.

Besides, the motive of Respondent-Applicant in choosing "TURCO" as trademark is highly dubious considering the fact that "TURCO" has been existing in the market and defused to be belonging to Opposer long before Respondent had filed with this Office its trademark application.

To paraphrase the oft cited statement of one distinguished author to wit:

"A boundless choice of words, phrases and symbols is available to one who wishes a trademark sufficient unto itself to distinguish his product from those of others. When, however, there is no reasonable explanation for the defendant's choice of such a mark though the field of his selection was so broad, the inference is inevitable that it was chosen deliberately to deceive." (Ill Callman, Unfair Competition, 2<sup>nd</sup> ed., pp. 1527-1528; as cited in Converse Rubber Corp. vs. Universal Rubber Products, Inc., supra.)

In connection with the use of a confusingly similar or identical mark, it has been ruled thus:

"Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals etc. as to justify one who really wishes to distinguish his product from the other entering the twilight zone of a field already appropriated by another (Weco Products Co., Milton Ray Co., 143 F. 2d. 985, 32 C.C.P.A. Patents 1214).

"Why of the million of terms and combinations of the letter and designs available, the appellee had to choose, those so closely similar to another's trademark if there is no intent to take advantage of the goodwill generated by the other mark". (American Wire & Cable Co. vs. Director of Patents, 31 SCRA 544).

xxx "why, with all the birds in the air, and all fishes in the sea, and all the animals on the face of the earth to choose from, the defendant company (Manila Candy Co.) elected two roosters as its trademark, although its directors and managers must have been well aware of the long continued use of a rooster by the plaintiff with the sale and achievement of its goods? x x x a cat, a dog, a carabao, a shark, or an eagle stamped upon the container in which candies are sold would serve as well as rooster for the product of defendant's factory. Why did defendant select two roosters as its trademark?" (Clarke vs. Manila Candy Co., 36 Phil 100)"

When one applies for the registration of a trademark or label mark which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user of a previously registered label or trademark, this is not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill. (Chuan Chow Soy & Canning Co. vs. Director of Patents and Villapanta, 108 Phil. 833,836)

WHEREFORE, premises considered, the Notice of Opposition is SUSTAINED. Accordingly, Application Serial No. 95606 for the trademark "TURCO" for paints and varnishes, filed on September 30, 1994 by ROOSEVELT CHEMICALS, INC. is as it is hereby REJECTED.

Let the file wrapper of TURCO subject matter of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau for appropriate action in accordance with this Decision with a copy furnished the Bureau of Trademarks for information and update of its records.

SO ORDERED.

Makati City, August 3, 2001.

ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs